

FINANCE SECRETARIAT GOALS

1. Continue Successful Implementation of Tax Reform Legislation

Tax reform legislation is requiring that a number of different provisions be implemented over the next two years. The implementation schedule creates a higher than normal risk for the changes that must be made.

2. Maintain Virginia's AAA Bond Rating

Even though Virginia's ratings were affirmed there must be a continued effort to assure rating agencies that Virginia's financial structure is balanced.

3. Maintain Fiscal Stability over the Long-Term

Propose a final biennial budget that maintains structural balance, strengthens core services, and integrates performance management principles into a budget bill and document which is also more transparent and user friendly.

4. Complete the AMS Partnership Project; Convert to Advantage Revenue

Successful conversion to Advantage Revenue and completion of the Partnership Project, to include: testing all systems, properly training employees, maintaining compliance revenue, upholding customer service standards, meeting the needs of external entities during the transition, and achieving employee mastery of the new systems to realize their full potential for producing improved operational effectiveness and revenue gains.

5. Integrate Performance Management into the Budget Process

Continue to implement the Government Performance and Results Act by providing guidance and training to state agencies in developing strategic plans and performance measures. DPB will merge Executive Agreement performance measures with agency performance measures on the *Virginia Results* to streamline the performance measurement reporting process. Develop processes that will lead to integrating performance management into the budget.

6. Advance Efforts of the Council on Virginia's Future

Continue to provide staff support to the Council on Virginia's Future and work with agencies to link agency plans and measures with statewide

long-term objectives and indicators. The Council is charged with developing a “roadmap” indicating progress forward to achieve the statewide objectives.

7. Strengthen Oversight and Improve Agency Internal Financial Controls

Strengthen central oversight, monitoring, and training governing agency accounting practices and internal controls over financial reporting. Focus initially on major high profile agencies (such as VDOT) and gradually expand to smaller agencies.

8. New Financial Management Systems Proposed in PPEIA Process

Substantial thought (comprehensive in scope, long-term in vision) needs to go into developing a future planning framework governing development of a statewide ERP system to replace 20 year old legacy financial systems. Each of the Finance agencies, but particularly Accounts and DPB, will be involved.

9. Increase Use of Electronic Payment Systems

Treasury and DOA are continuing to work to encourage the use of electronic payments. Agencies and institutions are being encouraged to make use of electronic payments for vendor and payroll checks as well as direct deposit notices. Treasury is also working with the Department of Social Services to provide an alternative electronic payment method for payments by non-custodial parents. A pilot including three locations, Richmond City, Cumberland, and Louisa, began on January 1, 2005. It will run for approximately three months before rolling out for the entire agency. Finally, Treasury is working with the Virginia Employment Commission to provide an alternative electronic payment method for its clients.

10. Implement New Risk Management Plans

In anticipation of SB 601 establishing a liability program covering physicians and sole community hospitals, the Division has been communicating with other states with similar programs, and has been working with three insurance firms that have experience providing similar liability third party administration for physicians and hospitals in other states. The Division has also developed organizational requirements and established timelines for implementation. The physician and sole community hospital program will necessitate initial

funding as support against claims until such time as the program has collected sufficient funds to be self-supporting. It is estimated that it will take two years for the program to become fiscally self-sufficient.